

HOUSE No. 1545

By Mr. Mariano of Quincy, petition of Ronald Mariano relative to the cancellation or modification of contracts of insurance producers. Financial Services.

The Commonwealth of Massachusetts

In the Year Two Thousand and Five.

AN ACT RELATING TO THE CANCELLATION OR MODIFICATION OF AN INSURANCE PRODUCER'S CONTRACT.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 Section 163 of chapter 175 of the General Laws, as appearing
2 in the 2002 Official Edition, is hereby amended by striking out the
3 third sentence, lines 10 through 19, and inserting in place thereof
4 the following sentence:—
5 Except as otherwise provided, such notice of cancellation, mod-
6 ification or expiration issued by a company shall contain a provi-
7 sion stating that any agent receiving notice of such cancellation,
8 modification or expiration may, within fifteen days after receipt
9 thereof, make a written demand for reference to three referees of
10 the question as to whether or not such cancellation, modification
11 or expiration will so affect the renewal, continuation or replace-
12 ment of any policies placed with the company through the efforts
13 of the agent, or the services needed by any policyholder doing
14 business with the company as a result of the efforts of the agent,
15 as to justify renewal or continuation of any policies then in effect
16 having been placed with such company by such agent.